



# DENISON STATE BANK

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March 16, 2006

FDIC  
San Francisco Regional Office  
Regional Director John F. Carter  
25 Jessie Street  
Ecker Square, Suite 2300  
San Francisco, CA 94105

Dear Mr. Carter:


I am writing this letter in opposition to Wal-Mart securing an application to be an industrial loan company or securing an industrial loan company charter. I have been a banker for many years, not only with Denison State Bank but also with two previous banks. I have always felt strongly that banking and commerce should be separate. I think we can have serious consequences with the continued stability and growth of our nation's financial system if the FDIC approves the industrial loan company charter with Wal-Mart.

It seems that if this application were approved, that Wal-Mart is simply entering the financial service industry by exploiting a loophole in the federal law. As I stated earlier, separation of banking and commerce is very basic and very fundamental but also very important. There are many conflicts that come about when we do not separate the two.

Finally, an industrial loan company owned by Wal-Mart is not needed in my town and local market. I firmly believe the loan-to-deposit ratios in my bank and in other local banks shows we are meeting credit needs. We continually strive to offer many other products and services besides loans.

Thank you for the opportunity to respond. I would be glad to answer any questions you may have.

Very sincerely,

  
James Birkbeck  
CEO and Chairman  
Denison State Bank  
Holton, Kansas

JB:bgs